

Message Text

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ACTION EB-08

INFO OCT-01 CIAE-00 COME-00 DODE-00 NSAE-00 USIA-15
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R 201339Z APR 77
FM AMCONSUL FRANKFURT
TO SECSTATE WASHDC 7856
INFO AMEMBASSY BONN
AMCONSUL STUTTGART
AMEMBASSY BERN
AMCONSUL MUNICH

UNCLAS FRANKFURT 3027

EXCON

E.O. 11652: N/A
TAGS: ESTC, GW
SUBJECT: HONEYWELL GMBH: OEA COMPLIANCE DIVISION CASE NO 23 (75)4

REF : STATE A-1081

1. FOLLOWING IS UNOFFICIAL AND ABBREVIATED RECORD OF TESTIMONY
OF LOTHAR HAEDICKE AS WITNESS DURING THE PROCEEDINGS OF THE
FRANKFURT DISTRICT COURT IN CASE NO 3-50170-76 SEMICON STOCK CO.,
V HONEYWELL GMBH ON MARCH 9, 1977. AS INDICATED IN EARLIER
MESSAGES THIS SUBJECT, POST WAS GRANTED SPECIAL PERMISSION TO
VIEW CASE TRANSCRIPTS. HOWEVER, ONLY TWO 30 MINUTE SESSIONS
WERE PERMITTED BY THE COURT TO REVIEW THE TRANSCRIPT AND MAKENOTES.
NOTES.
BEGIN HAEDICKE TESTIMONY:

1. I WAS EMPLOYED BY HONEYWELL GMBH, THROUGH JUNE 30, 1975 AT
WHICH TIME I WAS SENT HOME. CONTRACTUALLY I WAS EMPLOYED BY
THE COMPANY THROUGH THE END OF 1975 AS MARKETING DIVISION
CHIEF.

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TOWARD THE END OF MAY OR BEGINNING OF JUNE 1975 I WAS AWARE
THAT HONEYWELL WAS MAKING EFFORTS TO OBTAIN AN EXPORT LICENSE.
MR. ROGER JENSEN, OF HONEYWELL'S LEGAL DEPARTMENT IN THE U.S.,
CAME TO FRANKFURT.

2. I KNOW THAT A TELEX FROM THE U.S. TO FRANKFURT CONTAINED
SOME TYPE OF BLANKET APPROVAL AND INVOLVED VARIOUS CONDITIONS.

DR. HOSS HAD THIS TELEX ON HIS DESK (THE END OF MAY OR BEGINNING OF JUNE 1975). THE TELEX WAS ADDRESSED TO MR. JENSEN WHO WAS IN FRANKFURT AT THAT TIME. MR. JENSEN CALLED ME IN TO DR. DR. HOSS' OFFICE AND SAID THAT HE (JENSEN) HAD RECEIVED AN APPROVAL, SHOWED ME THE TELEX WHICH GRANTED, OR WAS TO GRANT, THE APPROVAL IN FORM OF A BLANKET EXPORT LICENSE FOR THE DELIVERY OF EQUIPMENT ORDERED BY SEVERAL FIRMS AND JENSEN ADVISED THAT HONEYWELL MUST TAKE THE LEAD IN CARRYING OUT THE TERMS OF THE CONTRACTS.

3. THROUGH JUNE 30, 1975, IT WAS MY UNDERSTANDING THAT HONEYWELL INTENDED TO FULLFILL THE TERMS OF THE CONTRACTS. I DO NOT KNOW WHO WAS WORKING TO BOTAIN THE EXPORT APPROVAL. I WAS FAMILIAR WITH THE ORDER AND, AT THAT TIME, AWARE OF THE IMPOSSIBILITY OF FILLING IT. I WAS IN POSSESSION OF THE ROUTING SLIP WHICH IDENTIFIED WHICH OFFICES WERE RESPONSIBLE FOR HANDLING WHICH DETAILS. I ADVISED THE VAROUS SECTIONS ABOUT THESE DETAILS. THE NECESSARY STEPS (INCLUDING ARRANGEMENTS RELATING TO THE EXPORT SHIPMENTS WERE TAKEN CARE OF BY THESE SECTIONS.

4. THROUGH DISCUSSIONS, MY IMPRESSION WAS REINFORCED THAT THE EQUIPMENT WOULD NOT BE SEND FROM THE U.S. THROUGH GERMANY TO SWITZERLAND AS PLANNED BUT RATHER FROM THE U.S TO THE "END USER". BY THE END OF MAY, I WAS CERTAIN THAT THE EQUIPMENT WAS DESTINED FOR THE SOVIET UNION. AT ABOUT THAT TIME THE LETTER OF CREDIT WAS RECEVED. A DISCUSSION I HAD WITH A CUSTOMER WHO ALSO CONCERNED ABOUT THE UNFULLFILLED CONTRACTS PRODUCED THE INFORMATION THAT JENSEN HAD SUGGESTED THAT ALL ORDERS OF THE PLAINTIFF SHOULD BE TIED TOGETHER AND UNCLASSIFIED

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GIVEN AS ONE ORDER OF A RUSSIAN IMPORT COMPANY TO HONEYWELL SO THAT HONEYWELL COULD TRY TO OBTAIN A SINGLE EXPORT LICENSE. AS COMPENSATION THEREFOR, THE VARIOUS PURCHASING COMPANIES WHICH WERE LEFT OUT WERE TO RECEIVED A PERCENTAGE (REBATE). HHAT IS NOT KNOWN IS THAT JENSEN REQUIRED A SINGLE TRANSACTION STATEMENT FROM THE PURCHASERS AS A PRECONDITION (TO THE ABOVE ARRANGEMENT.)

AFTER MY SEPARATION FROM THE COMPANY, I DISCOVERED IN A DISCUSSION WITH ONE OF THE PURCHASERS, THE FIRM ATLANTIKA, THAT THE END OF JULY OR MIDDLE OF AUGUST, A SINGLE TRANSACTION STATEMENT HAD ALSO BEEN REQUIRED OF THEM.

(MR. HAEDICKE CONTINUES AFTER BEING READ THE TRANSLATION (GERMAN) OF THE LETTER FROM THE OFFICE OF EXPORT ADMINISTRATION TO HONEYWELL GMBH DATED FEBRUARY 23, 1977). NOTE: TEXTS OF EQUESTIONS ADDRESSED TO THE WITNESS WERE NOT CONTAINED IN THE TRANSCRIPT AVAILABLE TO THE POST. I STICK BY ME TESTIMONY THAT I SAW A TELEX IN WHICH THE EQUIPMENT ORDERED BY THE PLAINTIFF AND THE FIRM ATLANTIKA FOR SHIPMENT TO THE SOVIET UNION WAS APPROVED OR, THAT IS, IT (THE TELEX) ADVISED JENSEN THAT THE APPROVAL WAS OR WOULD BE

GIVEN.

(IN RESPONSE TO A QUESTION). MY RESIDNATION WAS REQUESTED BY HONEYWELL AND IT WAS IN CONNECTION WITH MY INVOLVEMENT WITH THESE CONTRACTS WHICH WERE NOT FULFILLED.

(IN RESPONSE TO A QUESTION). MR. JENSEN OFTEN REFERRED TO A MR. BAUER OF THE DEPARMENT OF COMMERCE IT WAS MY IMPRESSION THAT THIS HAD TO DO WITH THE APPROVAL. EITHER JENSEN KNEW BAUER PERSONALLY, OR WAS IN TOUCH WITH BAUER BY TELEPHONE OR BY LETTER.

(IN RESPONSE TO A QUESTION). THE WORDING OF THE TELEX WAS MORE SPECIFICALLY THAT THE APPROVAL WAS GIVEN.

(IN RESPONSE TO A QUESTION). THE TELEX FROM THE U.S. WAS STAMPED IN AND RECORDED, THEREFORE IT WOULD BE POSSIBLE TO LOCATE THAT TELEGRAMS SEND TO MR. JENSEN.

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(IN RESPONSE TO A QUESTION). THE ROUTING SLIP CONTAINED ALL THE FACTS WHICH WERE IMPORTANT FOR THE (HONEYWELL) SECTIONS I.E., NUMBER, TYPE, SIZE AND SALES PRICES OF THE EQUIPMENT TOGETHER WITH THE PROFIT MARGINS AND THE CONSIGNEES.

(IN RESPONSE TO A QUESTION). IT IS MY JUDGEMENT THAT THE SECTIONS COULD NOT ASSUME THAT THESE ORDERS FOR EQUIPMENT REQUIRED AN EXPORT LICENSE. END OF UNOFFICIAL , ABBREVIATED VERSION OF TESTIMONY OF LOTHAR HAEDICKE.BLAKE

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Sent Date: 20-Apr-1977 12:00:00 am
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Decaption Note:
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Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
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